

MINUTES
WOODSTOCK CITY COUNCIL
August 19, 2014
City Council Chambers

The regular meeting of the Woodstock City Council was called to order at 7:00 PM by Mayor Brian Sager on Tuesday, August 19, 2014 in Council Chambers at City Hall. He explained the consent calendar process and invited public participation.

A roll call was taken.

COUNCIL MEMBERS PRESENT: Julie Dillon, Maureen Larson, Mayor Brian Sager, Joseph Starzynski, RB Thompson, Michael Turner

COUNCIL MEMBERS ABSENT: Mark Saladin

STAFF PRESENT: City Manager Roscoe Stelford, City Attorney TJ Clifton, Finance Director Paul Christensen, Assistant Director of Public Works Jeff Van Landuyt, Economic Development Director Cort Carlson, Police Chief Robert Lowen, City Planner Nancy Baker, Planning and Zoning Administrator Jim Kastner

OTHERS PRESENT: City Clerk Dianne Mitchell

A. FLOOR DISCUSSION: Proclamation Honoring Scott Commings

Mayor Sager stated that S. Commings was unable to be at the meeting. After receiving approval from Council, Mayor Sager read the proclamation congratulating him on his achievement on Hell's Kitchen. Mayor Sager expressed appreciation for S. Commings's achievement and the recognition that he has brought to the community.

Public Comments

Jaci Krandel, Jaci's Cookies, 15016 W. South Street, Woodstock thanked Council for having a meeting with the business owners in Woodstock and stated that she looks forward to see what comes further and hoping for more meetings. Mayor Sager stated that he was pleased with the attendance and participation of many of the business owners. He stated that he is grateful that people are willing to invest in the City of Woodstock as a business owner and are interested in furthering the dialog so we can all benefit by working together.

Judy Kruse, 411 E. Calhoun St., Woodstock referenced the intersection of Calhoun and Seminary and questioned if there was anything that can be do about it as it is a very dangerous intersection where many accidents occur. She stated that there is some landscaping and bushes that she heard from the City that the people got notices to cut down but they aren't cutting them down. She advised that people can't see when they are on Seminary turning onto Calhoun St. or crossing over. She stated that she lives right there and she is usually there to assist anyone before the fire department or police get there. She reported that the people on Seminary are saying that they weren't aware that Calhoun goes straight through. She stated that she knows you can't stop on Calhoun because of the trains but she was wondering if there is any way to get a sign saying cross traffic does not stop.

M. Larson stated she recently saw a solar powered flashing red light and asked Staff if it is something they could look into for that intersection. J. Van Landuyt affirmed that they will look into it. RB Thompson stated that the shrub is on the northeast side of the intersection and he advised that he talked to the woman about 15 years ago and she did cut it down but it has grown again. J. Kruse said it is trimmed but not enough and noted that she drives a little car and when she comes that way she can't see and has to watch and creep. She stated that it is scary and people like to fly on Calhoun St.;

it is extremely dangerous and there are accidents all the time. Mayor Sager asked Staff to provide some solutions including signage and working with the resident about the shrubbery.

Council Comments

RB Thompson stated that today he was driving past the police station, when he was stunned to see many of the lilac bushes cut down to the ground. J. Van Landuyt advised that there was an article in the City Manager's newsletter regarding it and advised that the lilac bushes are becoming unmanageable. He stated that the only thing solution right now is to cut them down, but noted that they will come back and then they can manage them as they come back. He stated that they are going to do a third of them over the next three years.

Mayor Sager expressed gratitude to the Police Department, Marion Central High School, D200, Woodstock Fire and Rescue and Centegra who held an active shooter drill at Marion Central. He stated that there are no guarantees about avoiding those types of circumstances but we want to be prepared. He is grateful for the collaborative efforts of all of the parties in making this drill which is practical and realistic and assisted all the parties in becoming more familiar with what to do in this type of emergency situation.

Mayor Sager reported that the car show was incredibly successful and well attended. He thanked the sponsors, agencies and participants. He stated that many people in the community were able to get out and enjoy the cars.

Mayor Sager reported that the pool will stay open through Labor Day weekend thanks to the fine efforts of the staff and professionals. He advised that the pool will be open weekends and encouraged everyone to participate.

Mayor Sager reported that Jazz Festival is coming up this weekend and encouraged everyone to participate. He noted that there will be multiple venues.

Mayor Sager stated that City Attorney TJ Clifton is getting married this Saturday and wished him the very best and congratulations.

CONSENT AGENDA:

Motion by J. Dillon, second by M. Turner to concur with Consent Agenda Items B-E1, E3-E8.

- M. Larson removed Item E9
- M. Turner removed Item E10
- M. Turner removed Item E11 & E12
- Mayor Sager removed Item E2
- John Busse 517 Larkins, North Barrington, questioned the removal of certain items and Mayor Sager advised that they will be separately discussed and voted upon. J. Busse questioned if it will be per Staff recommendations and Mayor Sager advised that everything on the consent calendar is in accordance with Staff recommendations with the exception of the items that have been removed.

B. MINUTES OF PREVIOUS MEETINGS:

July 31, 2014 Retail Merchants Meeting

August 5, 2014 City Council Regular Meeting

C. WARRANTS: 3627 3628

D. MINUTES AND REPORTS:

Transportation Commission Minutes – April 16, 2014

Transportation Commission Minutes – May 21, 2014

Library Board Minutes - June 5, 2014

Library Board Minutes – July 10, 2014

E. MANAGER'S REPORT NO. 29

1. **Sale of Surplus Vehicles and Equipment** – Adoption of Ordinance 14-O-49 designating certain items to be surplus property and authorizing the sale at the Local Government Vehicle and Equipment Auction, recycling and/or disposal.
3. **Loading Zone Ordinance** – Adoption of Ordinance 14-O-50 designating a loading zone on the West side of Main Street, immediately north of the Movie Theater Entrance.
4. **Surface Transportation Program** – Approval of the following:
 - a.) Resolution 14-R-18 approving the Local Match for Roadway Improvements on Country Club Road through the McHenry County Council of Mayors Surface Transportation Program
 - b.) Resolution 14-R-19 approving the Local Match for Roadway Improvements on McConnell Road through the McHenry County Council of Mayors Surface Transportation Program.
 - c.) Resolution 14-R-20 approving the Local Match for Roadway Improvements on Ware Road through the McHenry County Council of Mayors Surface Transportation Program.
5. **Contract Extensions** – A waiver of competitive bids and an award of contract to Ridgeview Electric, Inc. for the purchase and installation of a generator and transfer switch for the Centegra Hospital sanitary sewer lift station and an additional generator and transfer switch for Well #12 for a cost not-to-exceed \$68,850.
6. **Purchase- Squad Car Video Cameras** – Approval of the purchase from Pro-Vision, Inc. for in-car video cameras and associated equipment for installation in the City of Woodstock Police Squads and Motorcycle for a total of \$30,523.
7. **A-1 Liquor Application Waiver** – Approval to waive the moratorium on the acceptance of applications for a Class A-1 Liquor License for 219 North Benton Street.
8. **Change Orders - Old Courthouse** – Adoption of Resolution 14-R-21 authorizing Change Orders 009 and 010.

A roll call vote was taken. Ayes: J. Dillon, M. Larson, Mayor Sager, J. Starzynski, RB Thompson, M. Turner. Nays: None. Absentees: M. Saladin. Abstentions: None. Motion carried.

Item E2 Refunding Bonds – Adoption of an Ordinance authorizing the issuance of General Obligation Refunding Bonds, Series 2014A, of the City of Woodstock, McHenry County, Illinois, providing the details of such bonds and for levies of Direct Annual Taxes sufficient to pay the principal and interest on such bonds, and related matters.

Mayor Sager stated that the Bond Counsel recommended offering members of the public the opportunity to comment. P. Christensen stated that they are proposing to refund the 1990 GO Bonds with 2014A due to the interest rate reductions. He reported that the anticipated savings are \$46,000. He advised there is a slight change in the ordinance and reported that Staff is recommending doing a negotiated sale and use stifle on it so “stifle” has been inserted into the ordinance.

There were no comments from public.

Motion by M. Turner, second by J. Dillon to adopt Ordinance 14-O-51 authorizing the issuance of General Obligation Refunding Bonds, Series 2014A, of the City of Woodstock, McHenry County, Illinois, providing the details of such bonds and for levies of Direct Annual Taxes sufficient to pay the principal and interest on such bonds, and related matters. A roll call vote was taken. Ayes: J. Dillon, M. Larson, Mayor Sager, J. Starzynski, RB Thompson, M. Turner. Nays: None. Absentees: M. Saladin. Abstentions: None. Motion carried.

Item E9 Old Courthouse Technical Assistance Panel (TAP) – Approval to submit an application for a Technical Assistance Panel (TAP) and the expenditure of \$20,000.00 to be reimbursed by a grant from the McHenry County Community Foundation.

M. Larson stated that it is a potential study to be done for the feasibility of the potential uses of the Old Courthouse. She stated that she was surprised how it came on the agenda as a voting item and feels it leapfrogged a few things. She stated that how the Old Courthouse is used and the discussions that they have had to date and the discussions that are still to come are part of a much larger puzzle. She stated that this isn’t something that was brought before the RFP Review Committee and it isn’t something that has been talked about by Council before tonight.

M. Larson stated that she welcomes the chance to work with the foundation and she appreciates their willingness to put money toward the study. She wants it in the record that any conclusions they reach are not in any way binding. She reported that she talked with Staff and has been reassured that that is the case. She stated that it will potentially be useful information but it doesn’t put Council in the position of relinquishing their responsibility and vision.

M. Larson stated that another concern is that in the process of having the discussion with the RFP Committee and the public over the two proposals that were brought forward, Council raised some pretty large questions and possibilities. She stated that a lot of ideas and suggestions were thrown out on the table and they haven’t really further vetted those. She stated that she would like to get on the agenda some discussion items regarding some of the uses that Council does and does not believe are appropriate for the space.

M. Larson stated that if they go forward with the feasibility study, she doesn’t want it to put a halt to other discussions and she would like to continue pushing forward toward a clear vision for the building. She stated that Staff has reassured her that they don’t have a problem with it and she feels like it can be a concurrent process. She stated that they aren’t just commissioning a study and having sit for three months while it’s looked at and then are no further along. She thinks it can be very useful but she would like to have Council continue to look at some other things in the meantime.

M. Larson stated that the people on the advisory panel are useful, high-powered people in the industry; real estate, architecture and historians. She advised they are people that we can tap into their expertise for the best uses for the building and also how to make it happen. She stated that it helps with visibility for the building and for the project which she sees as a positive. She advised

that with that and with the understanding that Council isn't going to sit on their hands in the meantime and they aren't bound by any findings, she can support it.

Mayor Sager stated that the Urban Land Institute is highly regarded and he thinks the assistance of a technical advisory panel would be really useful. He agreed with M. Larson and stated that he doesn't think Council's hands are tied but whatever information or potential recommendations they may forward, but he does think their expertise might be very useful. He noted that the payment for the study is made possible by a grant from the McHenry County Community Foundation which has an interest in the furtherance of the Old Courthouse. He sees it as positive and doesn't think it should halt Council's continued conversation and considerations.

M. Turner stated that he shared a similar concern when he saw it initially and advised that he felt that we have experts on Staff and we put in place very experienced members on the committee. He stated that he understands intent, but he isn't sure of the outcome with it. He doesn't want to see that the recommendations and study dilute the responsibilities of Council to make a decision as it relates to direction. He stated that the upside is that the Community Foundation has an interest, is vested and has access to resources. He stated that their interest and desire to be involved with it warrants taking a look at this.

M. Turner suggested that Council and Staff get more creative and aggressive. He stated that they have talked about different ideas for the Courthouse with brew pub being one of them. He stated that is the kind of thing where everyone nods their head, but it takes money and somebody willing to take the risk. He asked Staff and Council to take a creatively aggressive posture as it relates to what goes there noting that sometimes studies such as this that attempt to create a consensus among a group of people doesn't always produce the creative aggressive output that can be generated by folks on Staff or by Council. He doesn't want to see the responsibility diluted and advised that he will take the input but he wants Council to maintain all responsibility and authority over it with input from others.

Mayor Sager stated that he doesn't see how it would be possible that Council wouldn't have all responsibility and authority over it. He stated that it is municipal property so Council has the authority over it. He appreciates the interest in creativity and he thinks it is creative to think about using the expertise of the Urban Land Institute. He doesn't think it is limiting at all in the sense of creativity. He believes it is additional information that they need to have at hand if they are going to make the best future decisions. He is supportive of it and stated that they could have discussed it first and then put it on the agenda, but it takes time and everyone keeps saying let's move forward.

J. Dillon thinks it is part of their due diligence and she is grateful that the City is footing the bill for the study. She doesn't think it should stop them from doing anything else but provide them with additional information and some ideas they haven't thought of.

Motion by M. Larson, second by RB Thompson to approve submitting an application for a Technical Assistance Panel (TAP) and the expenditure of \$20,000.00 to be reimbursed by a grant from the McHenry County Community Foundation. A roll call vote was taken. Ayes: J. Dillon, M. Larson, Mayor Sager, J. Starzynski, RB Thompson, M. Turner. Nays: None. Absentees: M. Saladin. Abstentions: None. Motion carried.

Item E10 Old Courthouse Restaurant Lease – Adoption of an Ordinance authorizing a lease agreement between the City of Woodstock and KATLO Inc. for restaurant space in the lower level of the Old Courthouse.

M. Turner stated that in looking at the decision to put an entity into the Courthouse at this point caused him to pause and be concerned. He referenced a paragraph in the report that talked about the situation of establishing a lease for a ten year period in the Courthouse, where no direction has been determined as far as its use, limits Council's ability to consider options going forward. He expressed that his concern isn't based upon the Lopprino's as restaurateurs and business people and advised that it is based upon looking at where we are as it relates to that building. He considers the action on this lease to be premature. He advised that as much as he respects them as business people and patronizes their business he is concerned that as it relates to the decision about the Courthouse it limits Council and it isn't an appropriate item to enact at this point.

J. Starzynski stated that he had the same initial reaction about hanging a ten year lease on something they about to sell but advised that after considering it and finding that it isn't that uncommon that a commercial building has a lease with a paying tenant with a viable business it's actually not a bad thing for the building. He stated that there would be revenue, people coming to it and it is a good business. He stated that before he even lived in Woodstock it was a restaurant and it's almost always been a restaurant. He agrees that they would like to be open to as many ideas as possible but he doesn't see any reason not going forward. He reported that he thought about possibly offering the Lopprino's a buy-out of some sort if the new owner doesn't want the restaurant in there. He stated that he had the same reaction, but thinks it is the right thing to do. He thinks that the Public House of Woodstock there will actually do really well, better than where they are at right now. He thinks it will help La Petite Creperie and make it a strong street for restaurant activity.

M. Larson stated that she doesn't disagree seeing that space as a restaurant, but she thinks saying yes to a ten year lease with these restrictive terms evaporates the pool of people that might be private partners and willing to come forward and put their vision together with the City's for the building. She thinks it really limits them and she has real concerns about the ten year part of it and the terms of it. She stated that the Texas proposal, which they aren't going forward with, had a fair amount of revenue that was part of that business plan and advised that this plan doesn't come anywhere near those levels of revenue so if an entity can't make it work with the levels that have been established then we are really narrowing our options for what we can do with this building. She believes they will be much more limited with the ten year lease.

J. Dillon stated that she feels the same way and she is in a struggle. She wants to support the local business and in the same breath she sees the same thing regarding the vision of the building. She questioned if there is a compromise and if it has to be a ten year lease or can it be a shorter term lease. She advised that she understands that there is a lot of capital improvements that they are thinking of putting in which is probably scary from their point of view. She questioned if it can be modified slightly so that everyone is happy because she hates seeing it sitting there empty and she thinks they would do great in that space but she also sees the other side in regards to attracting someone into that building. She questioned if there is a way to compromise.

Kathryn Lopprino & Brian Lopprino, 668 W South St, Woodstock. K. Lopprino stated that currently where they are at and looking at the Courthouse and what it has to offer as far as size and division in the location; there is private dining available which is limited in Woodstock. She reported that the previous tenants built out a huge buffet area that would allow them to extend their businesses as far as catering and Sunday brunch. She reported that they want to pay homage to the history of the building and fun with it for the menu. She stated that the kitchen is 2-3 times the size of their current kitchen so it would allow them to employ more people and expand on their catering business. She stated that the outdoor dining that is limited in their current location. She advised that as both residents and business owners in Woodstock, having a large vacant building on the Square is sad to

see from a resident standpoint and looking at it from a business opportunity they are really excited about the possibility of it.

RB Thompson stated that he doesn't see them using the private room; the courtroom. K. Lopprino stated that when she said private rooms she meant the ones on that level. RB Thompson stated that he would guess in a ten year period they might ask to utilize the courtroom if it were available which he believes would inhibit a future purchaser of the building. K. Lopprino stated that they aren't looking at the upper level at all right now.

M. Larson stated that she agrees with their vision and thinks they would be great tenants, but their needs to have such a long lease and the terms that are in front of Council overlap with Council's vision for the building and their ability to make that vision a reality. She can't come to terms with the ten year lease and the levels of rent which could also be of concern to a future investor and she questioned if there is some flexibility.

K. Lopprino thinks anything is up for discussion and advised that the terms they came to as far as business sense of having a sellable business and recouping their investment. B. Lopprino noted they will be spending over \$200,000 to move there noting that the building is not ready to go. K. Lopprino advised that in the end it would be left as a turn-key functioning restaurant for whoever owned it at that point in time. B. Lopprino stated that if it goes back to the City then they have everything.

M. Turner questioned the rent and stated that this is significantly below market rate and noted that with the agreement the City is opening itself up to criticism if it is a City owned building that they are subsidizing a private entity to operate inside of it. K. Lopprino advised that they are increasing their overhead significantly and in doing so the end project is leaving the City or whomever with a fully-functioning, turn-key lease available for a retail or restaurant space. She stated that in incurring that overhead, the rent reduction will allow them to pay and maintain at a conservative level with what they currently are doing and what they know their business can support. B. Lopprino stated that they would be paying the rent and the taxes and paying a loan back on the money they had to borrow to move in there.

Mayor Sager expressed appreciation for the Lopprino's current investment in the City of Woodstock and stated that they have long time business owners in the city and have proven themselves and have been community minded. He stated that he is grateful for the fact that they are looking at further investing in the City of Woodstock and specifically in the Old Courthouse. He stated the building is unique and very important building to the Square and its vitality. He advised that it currently is not as economically viable as we would like to have it. He is pleased with the Lopprino's interest.

Mayor Sager believes that if you talk to people there is a strong, romantic inclination when you think about the Old Courthouse and people think about the restaurant that was there. He thinks that people today recall those memories and think it is a good thing to have a restaurant in the Old Courthouse. He stated that even the proposals they have talked about, many of us have come back to wanting a restaurant there. He thinks it is a great fit, he loves that the patio is there overlooking the Square and he thinks it is a great location for a restaurant.

Mayor Sager thinks it is truly essential even throughout the RFP process that we have activity and life in the building and a going business in the building which he thinks is going to help. He stated that when people see that there will be an increased amount of interest. He advised that they have to be honest and say that there hasn't been an overwhelming response to the RFP. He stated that he isn't as concerned about the RFP process as he is seeing the municipality have a going, active

business and noted that The Public House is a proven business, K. & B. Loprino are proven business partners and he believes that this is a positive thing. He thinks we would all love to have them there but the question is the lease period and the associated concerns that it impose upon the municipality as it looks to the RFP process. He stated that they have had discussions about it and it is one of the reasons that the agreement itself has the term of the lease identified with two five-year renewable options. He advised that the lease term would begin in 2014 with ten years and then there are two additional renewable options so it could be an even longer term period. He asked the Loprino's why it is significant to them and the feasibility of the business.

B. Loprino stated that when you are looking at spending a quarter of a million dollars to make a move on a business that you already have you have to look for the long term. He advised that they have to be able to pay that move back but they also need to see the fruits of their labor. He stated that to have it for five years and then at the end of it if the City decides to do nothing then they have basically bought themselves a job for five years and paid back a loan; they didn't benefit anyway. He stated that they would need the next five years and the potential for the next five years after that to be able to make a living for the labor that they put into it.

Mayor Sager thinks it is a shared risk; we all share in the risk. He stated that he has come down to the conclusion that the risk for him is a pretty appropriate risk on behalf of the landlord situation with a lease of known business people who have a viable business, do a super job and fulfill an interest that a lot of us in the community share of having a restaurant in the Old Courthouse. He is pretty supportive of it.

B. Loprino stated that the busiest the Public House ever was, was when there were restaurants on every corner in Woodstock. He believes we need to get Woodstock back into being a place to come and dine. He stated that for the Public House to be competitive they believe they need a location change. They need private dining rooms and an outdoor patio; those are the things they can really capitalize on and that in turn increases the sales tax base of the downtown area. He advised that the City is going to make money eventually on the lease noting that the first five years aren't very favorable to the City but the next five and five after that then it gets to be more favorable for the City. He stated that if he was looking to buy an investment he would want a paying tenant. He stated that he and K. Loprino have tenure noting that they have been in Woodstock for 11 years now and they feel like they can do another 10, 15 or 20 years if they have the ability to do it. He stated that any potential buyer of the building should want a proven asset as far as a tenant. He understands how they feel with the RFP process that it could be limiting by having a tenant.

M. Larson questioned if the City was to maintain ownership of the building going forward this would be a pretty easy decision. She stated that she doesn't disagree with anything they have said except that she believes our residents have invested a lot into this building and they expect Council to be the drivers of its destiny. She thinks giving the ten year lease limits that greatly. She stated that if after discussions the Council decides that we want to maintain ownership of the building this is a whole different discussion but she noted that they haven't had that discussion yet. She doesn't feel able to support the ten year part of this until Council makes that decision.

M. Turner stated that this seems out of order to him as it relates to sequence. He stated that it is nothing to do with the investment the Loprino's have made, the success they have had, the value they bring to the community and his own personal desire to be a customer. He believes it is a better location for them and noted that he wants to see it full; he wanted to see it full five years ago. In response to M. Turner, R. Stelford advised that the City has put 1.5 million into the building. M. Turner stated that the City is 1.5 million into the building and they set up this big sale to the voters

that they need to find a vision that works there. He stated that a restaurant is a vision that works there, but the question is as they look at the rest of the building and they do this piece first and continue to market and possibly doing a new RFP and being more aggressive about what should go there and it is done out of sequence then the revenue they are producing and the fact that somebody is existing there, the potential buyer may say they want to put their own vision of a restaurant in there or has somebody else they are going to bring along. He stated that if Council decides to maintain ownership or sell it then that is the time to visit this which he hopes is sooner rather than later. He feels that for this to come at this point in the sequence feels out of order to him. He stated that it stinks that they have to hear him say that but he's not against them or the concept, but he is trying to maintain his focus in looking at the broader picture of the building.

J. Dillon stated that she understands the things M. Turner is saying about sequence, but noted that things don't always happen in order. She stated that it is a small town and there hasn't been a lot of recognition on the building. She stated that they all agree that it is an important piece of the town's history and it is a beautiful building but as much as she has concerns about the ten years as an investor it is nice to have someone that is paying rent when you come in. She stated that the Loprino's do a great job and are local and advised that although she has concerns but she is going to support them noting that she would rather have something going on in the building than nothing. She hates seeing it empty. She wants to see something in there and doesn't want to wait. She doesn't want to tell these guys no because we are waiting. She wants foot traffic and to feel warmth out of the building. She stated that ten years is a long time, but referred to M. Turner's statement that it's been empty for five. She questioned what they are waiting for.

J. Starzynski stated that he understands that the Loprino's are putting in a huge investment and the City is giving them a discount for that investment but to him the only solution is to say if the City isn't going give them a long term lease, then they pay the full price and get no discount but instead give them a buy-out or someway to recoup what they invested. K. Loprino stated if there was buy-out put in place for private purchase then you wouldn't have a Public House. J. Starzynski stated that he thinks they should be in there and get the foot traffic. He believes they should have a tenant and make money on it which will improve their chances.

B. Loprino stated that he understands where they are coming from but it is really where he believes the Public House needs to be. K. Loprino stated that they can appreciate the situation that Council holds with direction for the building and the current status but noted that as business owners they don't want to wait to grow anymore either. She reported that it will be 12 years in Woodstock and they need a facelift to their business and they are excited about making it happen. RB Thompson questioned if it was passed when they would be in the space and B. Loprino stated that they would be in there within in 60 days.

Mayor Sager stated that things don't always happen in order but he thinks they have a good strong viable business that wishes to continue to invest in the community. He doesn't think that Council is necessarily precluding anything by supporting the growth of this business.

John Busse, 517 Larkins, Barrington and Kathy Cappas, 21017 North Crestview Dr, Barrington, owner of Le Petite Creperie

J. Busse stated that it is likely very good to have a restaurant in the Courthouse and see the Square further developed but the question he has is the role of the City to be inviting or favoring one tenant versus another. He stated that the consideration that by bringing over the Public House into the Courthouse disadvantages the landowner that has that lease right now coming in, they will have a

vacancy because of the City action to support that particular business at its advantageous right. He stated that the whole business of the City being a landlord and being involved in business leasing, he finds very inappropriate. He believes it is a professional business and the City is presuming that it has this role there.

J. Busse reported that he works with K. Cappas at La Petite Creperie which is an existing tenant of the City and the City in his opinion is not a proper landlord. He stated that the notion that the City should further get involved with leasing or further become a landlord supporting local businesses, he would warn against it based on his experience. He stated that his experience is that since last November he has worked daily to avoid La Petite continuing to spend its own money on landlord responsibilities. He stated that La Petite paid to re-roof its building and Mayor Sager advised that it was before the City owned that facility and J. Busse affirmed.

J. Busse stated that La Petite before the City owned the building replaced its air conditioning. He stated that La Petite paid for the water service for its building as well as the Courthouse for many years and Mayor Sager stated that it was according to an agreement that La Petite had with a previous landlord and J. Busse affirmed.

J. Busse advised that most importantly La Petite has aggressively sought for business improvement and enhancements and has aggressively been working with EDC and through the RFP process to get landlord attention. He stated that today a bucket sits with standing water underneath a roof leak that has stood for a year, windows with enormous holes in them in the jail air, windows won't close in the jail area and the tenant pays to heat and cool that building. He stated that there are countless times where the tenant has asked for the steps to be replaced as they are unsafe but nothing has been done. He advised that these would not be normal issues with a landlord and he suggests that the City should consider if it has the capability and the responsibility to charge into being a landlord for local businesses and taking on leasing and lease arrangements. He stated that if the City does decide to move forward, he suggests some Staff or dedicated personnel or expertise should be developed. He stated that before more tenants are brought in the roof leaks should be fixed, the steps should be fixed and the windows should be repaired.

K. Cappas asked the City Council members to give careful consideration in approving a restaurant lease for the Old Courthouse at this time. She questioned if the City is ready to take on another tenant after considering the need of repairs to the Old Sheriff's House as well as the unresolved issues with her to be discussed on September 2nd. She stated that leasing the next door space puts another strain on her bottom line and threatens the survival of La Petite Creperie. She stated that it eliminates her unique outdoor dining experience on a patio that she paid to have installed and impedes the wheelchair access which she paid to have installed on the patio next to her. She stated that she hosts many senior citizen field trips and her wheelchair and scooter customers will be required to maneuver through the Old Courthouse tenant's tables in order to access her patio. She stated that having another restaurant immediately next store presents conflicts with outdoor music and further compounds an already difficult parking situation.

K. Lopprino stated that she is saddened to hear the comments from K. Cappas and believes that working together and developing a much stronger commerce and culinary district in downtown Woodstock is before them and she would love to be more partnered on that. She stated that parking is no different then what it is right now; there are only so many places to park. She thinks that visibility and having a bustling downtown with outdoor dining on every corner would be fantastic for Woodstock. She stated that they have been visiting smaller communities that have a revitalization program in place for their downtown areas and creating culinary districts and it's the more the

merrier. She stated that they are very community minded and very pro small business and she supports every local, independent business owner in Woodstock as well.

K. Cappas stated that she supports the Loprino's and she wants Woodstock to be a dining destination but noted that there are so many unresolved issues with her building that need to be addressed first.

Arlene Lynes, 14300 W. South St, Woodstock, owner of Read Between the Lynes, thanked Council for discussing this and looking at all the angles. She stated that she too is upset to hear the things that K. Cappas has had to face at La Petite and she hears that they will be discussed and she hopes they are addressed. She stated that she is here to speak on behalf of the Loprino's and the business community downtown noting that this is her personal opinion. She stated that they would be open to criticism for leasing below market rate and they would also be open to criticism for denying a business. She believes the business cycle for some of the existing businesses, herself included, are at a critical point. She stated that they need to see a lot more foot traffic and lot more draw on the Square and she believes that if it doesn't happen in the next five months we could be seeing some pretty vital businesses on the Square leaving which she is quite concerned about.

A. Lynes stated that she was raised in a family that their main income was owning commercial real estate. She grew up knowing that when you have commercial real estate having active, viable tenants in the building it makes the property more valuable. She would hate to see the Loprino's walk away from it and let that building sit empty. She stated that it is critical and we need a restaurant in there this holiday season. She stated that right now people with limited accessibility, there are few places for upscale dining in the winter. She stated that the RFP proposal number one did show a restaurant and she does believe it was the City's position is that however that building is to be used in the future it needs to bring an economic draw to the Square. She believes that the restaurant will do this. She stated that the other processes being considered take time. She stated that when the Loprino's leave their current location it does leave an empty space but it is a much smaller space for a newer restaurant or starter to come in. She believes having worked with K. Loprino and K. Cappas that the Loprino's would work with La Petite to help K. Cappas keep the ambiance that has already been created on the patio.

M. Turner stated that this is the hardest vote that he has had to consider without knowing ahead of time that it was going to be that tough. He stated that his family went to the Jailhouse so he knows the value of that restaurant and he knows the value of outdoor dining. He said that may be their space, but Council was thrust into a process of taking over a building, putting 1.5 million of the people's money into it and establishing an entire process. He said they talked about the concept of a brew pub but this kills that concept. He stated that it doesn't exist yet because nobody has brought the money forward but they talked about the Community Foundation and maybe they have seed money and maybe they are bringing seven digits worth of money to the table potentially after they go through the study that is required by them in order to decide if they want to put money into it. R. Stelford affirmed that the Community Foundation is interested in seeing additional data to support the decision on what level of funding they are willing to provide.

M. Turner referenced the Staff report that says an existing long term lease in the restaurant maybe unattractive to potential investors especially those who may be interested in developing the restaurant space for their own use or bringing in additional partners. He reported that it also says that if you have somebody already paying rent it adds value to the commercial space. He would contend that the Courthouse is not your typical commercial space and is such a unique space with potentially a unique use that having somebody there may take some of the people out of the pool. He is willing to grant relooking at this and if nothing comes of Community Foundation and nothing comes of any of

the other initiatives then he is willing to give it another consideration. He is forced to make a decision on it right now, it's difficult for him to say to do it right now. He knows that sequencing things don't always work that way but you don't build the roof before you are done building the walls. He doesn't think they are ready to go there yet. He noted that if he is forced to vote on it now, he has concerns on it. He said it is has nothing to do with the Loprino's, nothing to devaluing energy in the building and nothing devaluing outdoor eating or the ability to create economic activity and advised that its process. His vote will reflect the long term desire to have activity there.

Mayor Sager stated that he appreciates the importance of process but he also believes the old proverb a bird in the hand. He is pleased that the Loprino's were willing to sit through the discussion. He asked the Loprino's if they wished to have the item voted upon or have it postponed. K. Loprino stated that they would like to go ahead with it this evening and if it isn't an option for them to move forward then they need to start exploring other options.

Motion by J. Dillon, second by J. Starzynski to adopt an Ordinance authorizing a lease agreement between the City of Woodstock and KATLO Inc. for restaurant space in the lower level of the Old Courthouse. A roll call vote was taken. Ayes: J. Dillon, Mayor Sager, J. Starzynski, RB Thompson. Nays: M. Larson, M. Turner. Absentees: M. Saladin. Abstentions: None. Motion defeated.

M. Larson stated it isn't a reflection on not wanting this to work out. K. Loprino thanked Council.

Item E11 Zoning – Medical Cannabis Dispensaries - Adoption of an Ordinance amending the City of Woodstock Unified Development Ordinance regulating Medical Cannabis Dispensaries.

Tom Zanck, representative for the petitioner, stated that he thinks Staff was thinking that perhaps the limitation of the zoning districts where a medical marijuana dispensary could be held was limited to non-manufacturing areas. He advised that there are a significant number of areas in Woodstock that would be eliminated as more appropriate than those that are in the business district where the dispensaries are presently able to be considered. He agrees with Staff and referred to Item E12 advising that it is in area in an M district which is on the south side of town. He stated that he has access to east/west intersections of Rt. 176 to the south and Rt. 14 to the north and is on a state highway Rt. 47. He stated that there are other areas in the M category on Lake St. which has been a changing district. He advised that there is only going to be one medical marijuana dispensary in McHenry County; it may be in Woodstock or it may not be. He urged them to consider approval of Item E11 because he thinks it widens the scope of the areas that are considered and places those opportunities in areas more desirable than the business districts.

Mayor Sager stated that the question on this item is whether or not Council wishes to amend the UDO to allow a medical cannabis dispensary as a special use in the M1 Light Manufacturing district. He stated that some might believe it is a more appropriate larger area for this type of business.

M. Turner stated that he tied E11 and E12 together but questioned if he should have maybe left E11 on the agenda. He stated that his issues are less with the zoning and more with the special use. Mayor Sager stated that he would like to deal with them independently. M. Turner questioned if voting on E11 does not tie the special use or commit them to anything and Mayor Sager affirmed.

Motion by M. Turner, second by M. Larson to adopt Ordinance 14-O-52 amending the City of Woodstock Unified Development Ordinance regulating Medical Cannabis Dispensaries.

M. Turner stated that for clarification if Council passes this, the special use still governs whether something goes there and Mayor Sager affirmed. M. Turner questioned if they want to change the zoning away from what they might pass on Item E11 they can do it at subsequent meetings; Mayor Sager affirmed.

A roll call vote was taken. Ayes: J. Dillon, M. Larson, Mayor Sager, J. Starzynski, RB Thompson, M. Turner. Nays: None. Absentees: M. Saladin. Abstentions: None. Motion carried.

Item E12 Special Use Request – Medical Cannabis Dispensary – Adoption of an Ordinance granting a Special Use Permit and variations from the City of Woodstock Unified Development Ordinance for a Medical Cannabis Dispensary.

M. Turner stated that he doesn't know which way he is going to vote on it. He doesn't have any issues about the law, the petitioner or the location but for him the issue is two-fold, one of image for the city and two the unintended consequences of this kind of business. He supports the use of medical marijuana for legitimate reasons such as cancer and glaucoma but he has concerns about the image of Woodstock being the focal point of it within the community of the county. He has concerns about the potential for physicians to begin to prescribe for borderline need for the use of medical marijuana and if that grows to a point where it can't be controlled anymore does it represent an unintended consequence to the City.

T. Zanck stated that talking about image first, it is interesting the City of Woodstock formally Centerville has been saddled as the county seat for many years and there are some image issues that go along with it. He stated that it always annoys him as a citizen immediately adjoining the city that if there are a variety of county negative incidents that occur at the jail where the county seat is, the byline in the newspaper is Woodstock. He stated that has been going on for over a hundred years and he thinks the City has done a great job elevating itself above that and standing in a position of reputation because of what this Council and preceding councils have done in respect to the Square; the image of Centerville carried on by Woodstock.

T. Zanck understands M. Turner's concerns noting that he has been in this town since 1969 and he went to high school before that. He stated that we have with us the general counsel of an organization that is well known throughout the State of IL for substance abuse. He advised that attorney Sam Borek is here tonight to educate us on what this act is and what it is not. He believes that a significant percentage of people believe that what this is if it is allowed is similar to what Mayor Daley saw back in the 60's and that people are going to be walking around with bags of marijuana; that has nothing to do with that. He advised that Mr. Borek can explain that this act is narrow, precise, relies on the licensing of medical physicians and on the fact that there long term relationships that a patient has with a physician and that it has instilled in it a number of protections that will result in people believing that those communities who took a positive position on medical marijuana dispensary to be at the forefront because it is being done by the State of IL in the right way.

T. Zanck referenced the licensing and thinks that M. Turner has a concern because perhaps he has been in California or Colorado where they don't have the IL statute and they don't have the IL rules and regulations. He stated that they have a different attitude toward the dispensing of medical marijuana. He advised that isn't what is allowed in the State of IL under the proposed rules and regulations and that isn't what is going to be allowed the three entities which are overseeing the use.

T. Zanck referred to Mitch Weiss who is the owner of the property and advised that they had an engagement and could not be in attendance. He stated that the petitioner 4500 NW Highway owns

the property on the south side of Woodstock across from the old Kmart. He noted that one of the neighbors to the building spoke approvingly of the request. He stated that with respect to their request for variation, the obligation that the City has in its ordinance that a medical marijuana dispensary needs to be at least 1,000 feet from a park is one that is not imposed by State law but is imposed on them by the ordinance. He stated that the soccer park off of Davis Rd. is 990 ft. away but circuitous route one would have to take to get from the soccer field to the dispensary is significant. He stated that they are about 734 feet away from a park across the street which someone would have to take several roads on the east side of Rt. 47 to cross. He advised that you need a prescription, a State of IL card and you need to get past security so there is no reason why the participants in the parks would be adversely affected. He asked Council to consider granting the variation noting that they don't need State approval do so.

T. Zanck advised that the petitioners have affiliated with the Family Guidance Centers who has been in the business of substance abuse regulation and taking care of patients for more than ten years. He advised that they have had to have security and knowledge with respect to the management of methadone. He advised that they continually provide counseling to patients and communities and that is a gift that they will be able to provide to citizens of the City of Woodstock outside of the medical marijuana dispensary.

Sam Borek, Borek & Associates, 2638 Patriot Blvd., Glenview, Family Guidance Centers General Counsel, introduced Jennifer Kuzminski who is an attorney in his office that works with clients as it relates to patient involvement with the State regulations as it relates to medical use of cannabis. He stated that Family Guidance Centers has been in the business of substance abuse counseling and the dispensing of methadone for over forty years. He stated that the current Chairman and CEO is Dr. Larry Kroll and the Executive Vice President is Ron Vlasaty. He advised that that they weren't able to be there because they are in Kentucky who has chosen Family Guidance Center as its first substance abuse program in dealing with methadone in the state. He advised that Family Guidance is a not-for-profit organization located in the Chicago area and its corporate offices are 2618 Patriot Blvd. but its main location as it relates to the dispensing of methadone is at 310 W. Chicago in Chicago. He stated noted that Family Guidance Centers has programs throughout the State in various hospitals, provides inpatient and outpatient programs, and methadone dispensing. He advised that the vision of alternative treatments the applicant that is going to be filing is the vision of Dr. Kroll. He advised that Mr. Vlasaty is the former deputy director of Bureau of Administration for the IL Department of Human Services, Department of Alcoholism and Substance Abuse.

S. Borek stated that there is no question that image is important and there is no question that there is no one like Family Guidance Centers that can provide an image based on its history and where they are going. He reported that Family Guidance Centers have programs throughout the United States and every time they have applied for a license, it has always been necessary for them to get the approval of local communities in the states where it will be located. He stated that after inspecting, viewing and going to a Family Guidance Center image is not a test anymore; we pass with flying colors. He stated that Methadone is a substance that carries with it some significant, negative image concepts. He stated that you mention methadone or the fact that they are providing substance abuse counseling, everybody seems to think that there is going to be a line of people in front of the building waiting to get medication but that is not the case.

S. Borek advised that as it relates to the medical use of cannabis he is sure everyone is familiar with Walgreens or CVS and noted that the amount of traffic they get through in drive through will probably be five times the amount that a dispensary will be providing to individuals who require the medication. He stated that the people going to the dispensary are no different than the average person

going to Walgreens. He stated that to the extent that there may be a considerable number of people is extremely unlikely because the State has regulated the number of dispensary sites available in IL and IL is the most conservative state in the country with the most stringent rules and regulations as it relates to the medical use of cannabis. He noted that there is no state in the country that will approve the use of medical cannabis that will meet the rigorous standards that were imposed in IL in order to get the bill passed. He stated that as it relates to doctors and the use of cannabis IL is an extremely rigorous state and noted that people that are going to be using marijuana have to submit themselves for fingerprints, background checks and that have to have a bona fide physician/patient relationship.

M. Turner questioned who scrutinizes it and S. Borek stated that it is the Department of Health. He stated that the State of IL will maintain its own database and the patients provide the information directly to the State of IL. He advised that Family Guidance Centers is merely acting as a dispensary distributing the medication to those that have met the qualifications to obtain marijuana for medicinal use. J. Kuzminski discussed the steps one would take to obtain a card and advised that the live scan fingerprinting is going to be accessible by the dispensary so they can verify the card. She noted that caregivers also have to go through the rigorous process. She referenced the packaging of the marijuana in the dispensary and advised that it gets packaged at the cultivation level and the package isn't opened while in the dispensary; it's locked and tamper-proofed.

S. Borek stated that a good portion of the act by the Department of Public Health relates specifically to the requirements of the State in what it takes to be eligible for the use of cannabis. He advised that he brought a couple pages of the act, the definition of bona fide physician and the list of medical conditions that qualify for the use of cannabis in IL. He pointed out that IL is one of the few states that currently does not allow for the use of cannabis for chronic pain and stress.

J. Starzynski questioned if the State has an audit process for the dispensaries in place. S. Borek advised that the dispensary is required to maintain records from the moment a seed is planted until the dispensary actually sells the marijuana. He stated that it is audited, registered, tracked and the State of IL will be making numerous on-site random visits to determine that the inventory control is being properly maintained and that the cannabis is being distributed to patients that qualify under the law to receive the medication.

J. Starzynski questioned who will be doing the visits and S. Borek replied that it will be the Department of Public Health. He stated that the program in IL is called a pilot program and advised that it was a four year program, but unfortunately a year has already gone by and nothing has happened; the applications haven't even been submitted. He stated that once the licenses are granted a cultivation center and dispensary have six months to become operational. He stated that this isn't a lifetime or tenured process and they are going to make sure that everything is going to be handled in a responsible, credible manner that will protect the users and those individuals where dispensaries and cultivation sites are located.

J. Dillon referenced the pilot program and questioned where else it is in IL. S. Borek stated that there are going to be 21 sites for cultivation which mirror the State police districts. He advised that there are 60 dispensaries, however, the City of Chicago hasn't finished the zoning and special use requirements to have a dispensary so that means there may not be more than 43 dispensaries in the entire state. He stated that the 43 locations were divided by a scientific, random approach based on population and location to meet the needs of certain population areas.

J. Starzynski questioned if he would anticipate because the City of Chicago is behind in getting the zoning done that those prescribed in Chicago will travel outside of the Chicago area to get their

prescriptions. S. Borek stated that he does anticipate that because there should be no reason why a child or senior or person that requires medicine should be deprived.

M. Turner stated that he doesn't disagree for those that meet the conditions and needs but it raises a bit of a traffic red flag for him. S. Borek stated that the estimates in IL are that for every thousand patients that qualify for marijuana, two of those thousand patients will actually take the steps necessary to acquire the medication. He stated that as it relates to traffic or to numbers of people he would be shocked if a dispensary had more than 4 or 5 people visiting in any hour.

T. Zanck stated that any the zoning hearing it was testimony that Mr. Vlasaty presented that there isn't going to be traffic problem because these are patients and if there was a traffic problem they could set up times or appointments. He stated that there are many patients who need this medicine that don't that want to get the old fashioned high so they are engineering out of marijuana because people want to live their normal life. He stated that they are finding ways of eliminating highs from the medicine itself; it may be taken orally or by injection.

S. Borek stated that he doesn't want to make a promise that he doesn't expect them to be able to keep and advised that if they can do it by appointment only they certainly would, but they would prefer that if someone is coming through their doors that they aren't just there to pick it up as a delivery service and instead they would like to spend time with them. He stated that if they could do it by appointment only they would but it probably isn't fair so they won't. He advised that if it turned out that the use was that excessive, he can assure you that the legislature wouldn't hesitate creating a second round for additional dispensaries. He believes based on the projections that 61 sites even subtracting the 13 from Chicago are going to be more than adequate.

M. Turner questioned how many other places there are between here and Chicago. Mayor Sager stated that he request before Council is whether they will allow medical cannabis dispensary as a special use and if they are willing to allow the variations. He stated that they aren't necessarily saying yes put it in here right now but they are saying that this is the location that is being suggested and noted that they have to apply. He stated that they are first asking Council if they will allow the special use to occur at this location and whether they will accommodate the variations that are in the City's ordinance regarding the distance between public parks, etc. He noted that then after Council's consideration, should they look at the petition positively then he questioned what they have to do.

T. Zanck advised that they have to file an extensive application and pay a significant amount of money. He stated that there are no dispensaries between here and Chicago but there will be many because there are a variety of villages that have already approved sites where applications will be filed. S. Borek stated that supposedly the State is going to maintain a daily information blog as to who is applying where however he has to believe most other applicants are as smart as they are and they are going to wait to the last day to apply.

M. Turner questioned if even with approval tonight the petitioner has to come back again to move forward. M. Sager advised that they will not and stated that Council would be saying that they are willing to accept with the variation and the special use on this particular site then with that level of consideration they would be making application but with a significant fee. T. Zanck advised that he believes the fee is \$35,000. S. Borek advised that there is security deposit required that is substantial.

S. Borek stated that it is relevant only in the sense that he thinks it is important that they know that the applicant has the financial resources to accomplish what they are setting out to do and he noted that it will be carefully looked at by the State of IL. He stated that the application process requires a

background check on every individual that will be a member of the LLC applying for the license. He stated that it is a substantial investment and they expect to spend close to 5-6 million dollars per site in terms of modernizing and in this case rehabbing the existing building and adding a tremendous amount of security. He stated that they have a technical company that they have engaged to do a plan as well as having engaged three former members of the DEA to look at the site and make sure they are operating it safely, securely and make the patients coming feel safe.

M. Larson asked why it's not channeled through existing pharmacies and has to be a special dispensary. S. Borek stated that when the legislature studied the issue, they felt they could have more control and involvement with smaller places. He advised that they felt that the cost for the existing pharmacies to rehab their existing sites to meet the security and other requirements of dispensing the medication were so high that it was prohibitive.

M. Larson questioned if there are any financial impacts to the City; tax dollars or costs. S. Borek stated that Walgreens and other similar places are involved in the dispensing of medications that deal with the federal government. He stated that under federal law the use of cannabis for any reason is not allowed so the executives at all these centers are hoping and waiting for an act of Congress to change that. He stated that it never was a doubt that they wanted it to be maintained by local control and local municipal police power and they feel like with companies like Walgreens or Walmart a lot of it gets lost because they are so powerful.

T. Zanck advised that there will be sales tax involved. M. Larson questioned increased police needs or any costs to the City. R. Stelford advised that it is relatively new for the City but he doesn't anticipate a lot of costs for the City because the State imposes all the security implications on the dispensary. He stated that it doesn't mean the City won't get called once in awhile but he doesn't anticipate it being worse than any other business in town.

M. Larson asked if all the licensing is channeled to the State level. S. Borek advised that they do have licensing power. He stated that a good deal of their make-up is devoted to community outreach and involvement; it's not just talk, they walk the walk. He stated that they fully expect that should they be able to operate a dispensary in Woodstock that they would make available to the educational institutions or organizations counseling, guidance or any other services that they have an expertise in.

M. Turner questioned if the City has licensing power over the business. S. Borek believes that is accurate. M. Turner questioned if Council has an ability with the special use permit to create a sunset provision. S. Borek stated that a sunset provision would kill any application they file with the State.

M. Turner asked if they have the ability to rescind a special use if some of the unintended consequences cropped up down the road. T. Zanck advised that the City has the right to red tag and stop the operation if it is in violation of the conditional use permit. He stated that when M. Turner says "unintended consequences" they wouldn't have that right. M. Turner questioned if the City would have the ability from a licensing perspective and asked if the special use permit is being met but the community decides this business was not in the best interest of the city after a reasonable amount of time, does the licensing authority give the City some leverage at some point in the future.

TJ Clifton advised that it is a gray area and noted that the pilot program is pretty clear that municipalities are limited in their ability to regulate it; the State is going to regulate it and it specifically preempts units of local government aside from zoning regulations. He has questions with stating affirmatively that the City could license it.

Mayor Sager stated that he wasn't aware that they could license this and if they could then they have ability to revoke a license. S. Borek stated that this isn't their first visit to a municipality to get approval for a dispensary. He stated believes that there is some licensing process in place. He advised that they have talked to other municipal governments and believes it is doable and as a matter of ethics and constitutional law it needs to be reasonable. He believes there is some opportunity on the part of the village to regulate the businesses in the town and they would be one of them.

Mayor Sager advised that Woodstock isn't a home rule community. He reiterated that the questions on the table are whether a medical marijuana dispensary is the type of business they want within the City of Woodstock recognizing that this is a medical cannabis pilot program and that there is going to be a limited number of licenses provided. He questioned if they as a municipality believe that it should be supporting the application to be one of those dispensary locations. He stated that associated with that is the location that has been established whether they believe it is appropriate for them to extend a special use permit in that area and if the variations appropriate.

Mayor Sager doesn't believe there is a problem with the location and he isn't concerned about the proximity to the parks, which is the City's ordinance, because of the physical barriers. He concurs with the Plan Commission in that regard. He advised that his concerns are associated with the commentary that came forward from the McHenry County Drug Task Force and Substance Abuse Coalition which is to make sure that if approved that there is absolutely adequate security. He stated that the petitioners mentioned security multiple times. He doesn't believe that the City wants to commit additional municipal cycles to provide that security; it isn't our responsibility and should be the petitioner's responsibility. He advised that the security is regulated by the State but there are special circumstances of the site in question. He noted that it is an industrial site and the lighting is not the best so there is a need for enhanced lighting. He stated that the recommendation from the coalition is that there is a certain amount of shrubbery that could be a potential site for undesirables. He advised that another comment they made is to have security cameras installed. He advised that he doesn't know if that is a part of the State's security requirements but if it isn't it should be something that they would want to impose. He noted that security is an issue for him.

T. Zanck stated that there would be off-duty police officers hired and there are technical cameras that he believes are going to be directly linked to the state police. S. Borek stated that when he made the statement about licensing he didn't realize Woodstock was not home rule. He referenced security and advised that the most important issue that the State addresses is security. He stated that a successful applicant will have to demonstrate in the application process that they will provide extensive security and that the security that is in place is maintained by an experienced security company or that the people in place maintain that history. He reported that they have budgeted almost a million dollars a year for each dispensary site they are looking at. He advised that not only will there be cameras but their security task force that is writing the security plan has gone so far as to address the windows, door jams, doors and flooring. He stated that of anything he has said tonight the one thing he can assure them is that security is the least thing we need to worry about. He stated that they are prepared to provide the police department a copy of their security plan before it is submitted and if there is something that needs to be changed they will make sure it happens.

J. Starzynski stated that there are mentions of six other licensed methadone clinics within the State of IL and he questioned their security. S. Borek advised that he can only speak to their methadone clinic and advised that they have never had a problem in the ten years that he has represented Family Guidance Center nor is he aware of a problem that ever occurred in the last twenty years. He noted that they maintain their own security.

J. Dillon questioned what the building at 310 W. Chicago is like and S. Borek stated that it is a 30,000 sq. ft. building with 2-3 floors and the methadone is not spread throughout the building. He advised that it is inventory controlled within the building and is controlled by Family Guidance Center. He stated that hospitals can only distribute methadone if there is a program like Family Guidance Center in place to administer it.

M. Larson asked them to speak to the signage recommendations in the letter from the Substance Abuse Coalition such as not lighted signs, no images of marijuana leaf or plant. T. Zanck advised that there is a plan to have a sign on the front door of the building but there is no intent to have any highway signs.

T. Zanck stated that we have a local investor and local citizen who is bringing this before the Council, they have a Council who is understanding, that they have the correct location and we have it appropriately operated. He noted that they have the right State regulations and he thinks everything is lined up so that this is the appropriate time to pass the ordinance and he urged them to do so. S. Borek advised that he has brochures for Council with information on their programs.

M. Turner asked why Woodstock for the location. T. Zanck stated that Mitch Weisz stated that he has a building on the south side of Woodstock which would be a perfect location, it's the center of the county and Rt. 176 to the south and Rt. 14 to the north and in this location it would be the least disturbing area of the city. M. Turner questioned why Woodstock is being chosen. S. Borek stated that they looked through at sites throughout the state and reported that when Mitch Weisz first suggested Woodstock he didn't pay attention, but then he came here and saw the Square and the town and if he had to pick a place outside of the City of Chicago where he believes it could serve a community he thought Woodstock was a good place. T. Zanck stated that it is going to service the whole county so Woodstock is the center. S. Borek passed information to the Council.

Alyssa Gail Martin, 801 Flag Lane, Woodstock stated that she is a current student at Columbia Chicago and gave a statement representing the patients that she has met throughout her experience. She provided information on an email she received from a woman who is suffering chronic myeloid leukemia and said that with all the chemo, steroids and twenty other medications she takes daily if it wasn't for medical marijuana she would not be able to live a semi-normal life. She stated that creating a dispensary in Woodstock will help those that are suffering, create more tax revenue and establish more jobs for police officers. She stated that Woodstock is the county's capital and foremost available history so why not even make it better history by providing help for those who need their medicine.

Candace Jurgen, 549 Central Parkway, Woodstock stated that she is a member of the Substance Abuse Coalition and noted that they appreciate that the dispensary has no intent to use signage and are well aware of the issue of safety but they do encourage the Council to look at the letter before them and to consider the Coalition's ideas at this time so that they can't be changed later should the dispensary decide later on that they want to put signage up or the security is not what we hoped it would be. She stated that she is also a licensed clinical therapist and does work with a lot of people in recovery. She stated that she didn't realize that the City would be bringing another service provider into the area who would provide counseling. She encouraged the Council to talk to providers already here providing services to get their input. She's not saying that the community doesn't need them but she encouraged the Council to remember that there are those of us that already live here and provide services in the community for counseling.

Andrew Celentano, 2116 Greenview Dr., Woodstock, questioned if cannabis is a cash-only business since it isn't federally allowed and can't use the banking system. He also questioned if a script writer can be on premise. S. Borek stated that he has spent the last 20 years as a founder, director and chairman of two major banks and is currently the vice-chairman of a publicly traded bank in Ft. Lauderdale, FL. He stated that he is currently working with the Office of Financial Regulation in Florida to talk about banking as it relates to the use of cannabis in FL. He advised that yes currently cannabis is a cash business, however, the Attorney General has come out with a written statement which authorizes banks in states where marijuana has been approved by state legislatures to use the banks in those states to do banking. He reported that there are currently 105 banks in the US that allow marijuana businesses to use banking.

S. Borek advised that the House has passed the bill two weeks ago which authorizes the use of banking for marijuana purposes. He stated that he spoke to Senator Durbin's office and noted that it will be brought to the floor shortly. He advised that there are banks that are currently doing it, but he doesn't want to mislead anyone and advised that they are preparing their business as a cash business, however, there is a strong push to allow patients to use credit cards to pay dispensaries for the marijuana. He stated that there are ATM's being provided by a number of companies, they are being used in Colorado and California and they expect to have it in their dispensary site in Woodstock.

S. Borek stated that Family Guidance Centers wouldn't come into any town and ignore the people that have been doing counseling and providing the kind of services that they provide; he commended them for doing so.

S. Borek advised that a script writer cannot be on premise by State law. He stated that doctors that provide it are not allowed to have an interest in any business that does. M. Turner questioned if they would be amenable to Council passing the special use permit subject to the petitioner operating as not a cash-on-site business which could produce unintended consequences. S. Borek stated that he couldn't do that in good conscience right now. T. Zank stated that the petitioner would be amenable to once legislature passes banking to operate a banking business. S. Borek stated that you would be crazy not to and advised that the security plan anticipates that there will not be a lot of cash there throughout the day; it will be gone in a safe location.

Laura Crain, 800 Roger Rd, Woodstock, referenced the document from McHenry County Substance Abuse Coalition and specifically the signage. She feels the dispensary has done a very honorable job with the safety concerns of the location and she feels that in working with them to review a plan as suggested that those issues might be covered. She referenced M. Turner's comment about the image of Woodstock and stated that a dispensary in Woodstock isn't the image issue, it is whether we want to look at florescent lighting that has any of the signs and she appreciates the fact that their intent is not to use that type of signage. She stated that the petitioner indicated that there may be a round two of dispensaries located in the area which might create a situation where more signage and advertising might be needed in order to compete and succeed.

L. Crain believes if they take the stance now just like they did with alcohol and tobacco signage reduction in the retail establishments that they set the pace not only for the county but for the state in a way of providing this very necessary service to people in need but at the same time respecting that our community has a secondary issue which is the dispensary doing everything it is intended to do but there is a secondary use for the marijuana. She stated that 2.5 oz every two weeks equates to about 13 rolled joints everyday and she noted that those people in treatment for marijuana average 6-7 joints a day, which gives them an idea of how much access we would be looking at. She noted that is unintended and has nothing to do with the dispensary but it is something the community needs to

be aware of. She looks at it as it's here, we honor what the State has to offer, we honor the fact that municipalities are allowed to have it and she thinks the location is strong and that the safety can be provided. She worries about advertising impact on our community and hope that although their intent is good that we do something formalized so that intent can change later on.

M. Turner questioned if she is saying that she thinks that by offering this that people that have these conditions that may be seeking the item elsewhere through non-legal means that this will reduce it. L. Crain advised that it will not reduce it and referenced Rocky Mountain High Intensity Drug Trafficking Area that release a report showing the development of crime and associated use. She stated that their initial entrance into medical marijuana was one physician could only prescribe to five patients and at that point they showed the data of contact use, youth use, emergency room, etc. She stated that now they have 2013 data to show what has happened since recreational. She stated that it is a good report to look at what are the incidentals so regardless of the dispensary going in there she suggests looking at the report because it gives a nice history. M. Turner stated that he hadn't thought about the concept and would like to see the report as he would have like to have seen the information S. Borek passed out; he would have liked to have gotten it sooner.

T. Zanck stated that he knows they are breaking new ground but noted that the City has considered the medical marijuana dispensary long before they filed their application because the City amended its zoning ordinance to accommodate and appropriate applicant. He doesn't think we will find a more qualified applicant anywhere in the county nor a more qualified location. He urged Council to approve the ordinance and impose on them the additional conditions relating to enhanced lighting, appropriate elimination of shrubbery and cameras.

Mayor Sager stated that he has a tremendous respect for the McHenry County Substance Abuse Coalition and he thanked them for taking the time to consider this as it impacts not just the City of Woodstock but the larger community. He expressed appreciation for hearing about those in need and thinks it is an essential element to consider. He stated that personally he isn't opposed to approval of an ordinance granting a special use permit and variations from the Woodstock UDO for a medical cannabis dispensary at the identified location, but he is very supportive and would accept the invitation for them to impose upon the petitioners the conditions identified by the Substance Abuse Coalition identified as enhanced external lighting, security cameras, reduction of the foliage and an established approved security plan working within the parameters of the State as well as with the local police department.

Mayor Sager concurred with the Coalition's signage limitations which include no lighted signs including but not limited to neon or florescent, no images depicting marijuana leaf, plant or marijuana products including but not limited to bongs, rolled marijuana, one-hitter vaporizers or consumable products and signs, windows signs shall be limited to hours of operation and open or close, no public advertising including but not limited to flyers, billboards, bus stops, yard or leader signs within the city limits, a clear sign indicating "nobody under the age of 18 allowed in the dispensary", no external signage greater than 10 sq. ft. and one external sign per dispensary.

T. Zanck stated that on behalf of the petitioner and Mr. Borek they have no objections to any of those conditions being placed on them. He stated that on behalf of the petitioner congratulated the Substance Abuse Coalition for all the hard work they did and for the thoughtful presentation that they may. He noted that the petitioner, as of this moment, have not seen the letter but they accept the contents of it and recommend that those considerations and conditions be a part of the ordinance.

M. Larson stated that she never questioned if they are the right entity but her question is whether it is right for Woodstock. She stated that in the report it says there are “new uses” and “uncertainty regarding the impact.” She noted that they indicated that they are breaking new ground and it’s a pilot program. She stated that it is a front edge decision and she questioned whether Woodstock wants to be out on the front edge of this development. She stated that there are times for government to push forward on various fronts, but it is her belief that the residents would rather have Council pushing the front edge of technology, manufacturing, education or bike paths. She stated that there are many things that she is willing to be out in front of but this doesn’t rise to that level, so she is not supportive at this time.

T. Zanck stated that one of M. Larson’s comments was that she has a sense as an elected official what the citizens in Woodstock really feel and noted that it is interesting to him, as a local resident, having published notices, sending out flyers, publishing in the local newspapers and going to the Plan Commission meeting and seeing no interest with the application. He stated that seeing tonight a very sincere interest and almost a recommendation from almost every speaker so he wonders if it isn’t true that the residents of Woodstock having known that the City has already amended the zoning ordinances understand that perhaps it is an appropriate thing to do at this time.

J. Dillon stated that she supports the use of medical marijuana, but she is not sure that Woodstock is the place. She stated that the thing that convinced her on that was the discussion of security. She thinks the location is a good location but Woodstock is pretty much out in the middle of nowhere and when she looks out at the horizon she doesn’t want to see the glow of security lights for a medical marijuana dispensary. She stated that Woodstock has some issues going on around the Square that we are trying to deal with and she doesn’t think we are ready to deal with heavy-duty security issues.

M. Turner stated that he absolutely convinced that these conditions warrant the use of medical marijuana and he supports it. He stated that the question for him is we are as a city and noted that a positive vote could be viewed as progressive but it could be viewed based upon some of the other things that the City has had to deal with in the last 18 months that it’s an odd direction. He referenced S. Borek’s comments that he liked Woodstock because of the Square and the small town feel. He stated that if this going into Schaumburg or Hoffman Estates that was established and its image is pretty solidified and if he felt better about the populace’s view of our image of who we are as a city then he would be more supportive.

M. Turner stated that if he felt the momentum of the City was so strong that we could take this calculated risk, he would be more inclined to support it. He noted that Arlene Lynes thinks we are five months potentially that we have issues and noted that J. Dillon mentioned we have issues that have come to the forefront as it relates to the Square and activities that are going on there. He stated that there is an image concern that he is highly cognitive of right now. He questioned if whether this makes them look progressive, whether it’s indifferent or people say it’s not what they expect for Woodstock. He stated that he has heard a lot of that about video gaming noting that it was approved by the State, the majority of people approve of it but he has had people come up to him and say that’s not our image. He knows that there are people that need this right now all the time, but the question is whether he wants it distributed in Woodstock with the image that goes with it.

Mayor Sager stated that one of the things he has been most proud about is that the City of Woodstock is a community that identifies areas of need and is willing to work together to make good things happen. He stated that we have people in need and they live in the City of Woodstock and they deserve our consideration. He stated that the State has debated this for years and they have passed State law that allow for medical marijuana dispensary to meet the needs of those that are

desperate. He doesn't believe that we are the type of community who wants our image to be anything other than helping those in need. He acknowledged that it is a special use and noted that with a special use there are special requirements and with that is the need for high security because of the product. He stated that the City imposes restrictions upon alcohol as well and we know full well that there are concerns about substance abuse that they want to address. He stated that it is also for them to say as responsible leaders of the community that we can provide for those in need while still making significant efforts to protect our youth and protect against abuse. It is being responsible and caring for those who are in need; that's who we are and that's the image he wants to hold.

RB Thompson stated that Woodstock has an image of inclusion. He stated that Woodstock is the county seat and this is where you see services abound. He advised that when he goes to MCOG meetings and he is around other elected officials they say they love Woodstock more than any other community. He stated that part of it is our inclusion and caring. He supports this.

J. Starzynski stated that what makes Woodstock special is that we take care of each other and are compassionate. He stated that we taking care of people that really need it and the petitioner is taking the security measures to make sure that they aren't taking care of the wrong people.

M. Turner questioned how much control the City has over this if something is not as we want three to four years down the road; what is their ability to say it isn't working. Mayor Sager stated that the City makes application and files with the State that there are significant issues and we need relief from it. M. Turner stated that the City would turn to the State if we felt that what was occurring wasn't working for us.

T. Zanck affirmed and advised that the City would complain first to the dispensary and for them to not respond would be unbelievable but then the City would submit their complaint to the State. TJ Clifton stated that it is State regulated so the City would voice their concerns to the State and part of the special use is going to be that they are a licensed distributor so if the State were to take action against them for violation via complaint by the City or anyone else then it would be a condition where the City can pull the special use. M. Turner stated that he respects the opinions of everyone on this topic and noted that if there seems to be gravity with it he thinks it is because of broad nature of it, the uniqueness of it and seriousness of it for the patients and for the concept.

Motion by RB Thompson, second by J. Starzynski to Ordinance 14-O-53 granting a Special Use Permit and variations from the City of Woodstock Unified Development Ordinance for a Medical Cannabis Dispensary at 2300-2312 S Eastwood Dr in the City of Woodstock contingent upon no lighted signs including but not limited to neon or florescent, no images depicting marijuana leaf, plant or marijuana products including but not limited to bongs, rolled marijuana, one-hitter vaporizers or consumable products and signs, windows signs shall be limited to hours of operation and open or close, no public advertising including but not limited to flyers, billboards, bus stops, yard or leader signs within the city limits, a clear sign indicating "nobody under the age of 18 allowed in the dispensary", no external signage greater than 10 sq. ft. and one external sign per dispensary.

T. Zanck asked if they might have one small sign on the window that says "medical marijuana dispensary".

Mayor Sager stated that a small identification sign would be acceptable and stated the need for enhanced external lighting, security cameras, reduced foliage and established, approved security plan would be included as well. RB Thompson concurred with that statement for his motion. Mayor Sager asked T. Zanck if he understands and agrees to it and T. Zanck affirmed.

A roll call vote was taken. Ayes: Mayor Sager, J. Starzynski, RB Thompson, M. Turner. Nays: J. Dillon, M. Larson. Absentees: M. Saladin. Abstentions: None. Motion carried.

FUTURE AGENDA ITEMS

In response to J. Dillon's question regarding the wireless agreement, R. Stelford advised that Staff is still working on it.

ADJOURNMENT:

Motion by M. Turner, second by RB Thompson, to adjourn the regular meeting of the City Council to the September 2, 2014 City Council meeting. Ayes: Mayor Sager, J. Starzynski, RB Thompson, M. Turner. Nays: J. Dillon, M. Larson. Absentees: M. Saladin. Abstentions: None. Motion carried.

Meeting adjourned at 10:07 PM.

Respectfully submitted,

Dianne Mitchell - City Clerk